

# Fight to Win! Tools for Confronting Capital

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## Context: How to Assess Success or Failure?

Social change does not just happen, it must be created, provoked, necessitated. Transforming systems that perpetrate injustice cannot depend upon determined forces, but rather requires the forces that we create. There is a long history of grassroots movements undertaking campaigns to challenge the political and corporate elite. Operating according to Utah Phillips' dictum—"You've got to mess with people day and night"—diverse tactics have been employed against diverse opponents, with a wide range of successes and failures.

Even when campaigns or movements are not explicitly organized under an anarchist banner, there are anarchistic influences wherever people collectively confront power in an effort to leverage control of their communities. Despite the well-known antagonism between anarchists and Marxist theory, ideology, and ideals, many anarchists nonetheless retain an adherence (often unintentional) to Marx's political economy. Yet much of what anarchists find objectionable in Marxist theory—the determinism, the misinterpretation of state power, the vanguardism—was, for both the great thinker and his followers, a direct consequence of his economic theory. The labor theory of value is the vital component of Marx's scientific socialism that foresees the necessary collapse of capitalism. Of course, Marx asserted that "men [*sic*] make their own history" but he followed that up with "they do not make it as they please."<sup>1</sup> He sought to discover the laws of historical motion, and no matter how he wished to empower individuals, he believed they remained ultimately constrained by the material realities of being. All of this, of course, is deeply contrary to anarchists who generally respond to existing conditions in an ad hoc and amalgamationist fashion rather than based on theoretical prescriptions. This means an antinomy exists between a general anarchistic adherence to Marxist political economy and their adoption of strategies and tactics on the fly. For anarchists, as long as there is oppression, the only necessity is struggle. The forms of that struggle, the short-term aims and even the longer term goals, are not rigid or predetermined. Anarchists

have generally rejected the idea that there is or ought to be a pure or inherently revolutionary strategy or tactic. This is one of the reasons self-identified anarchists, or those who adhere to principles that would be considered anarchistic—autonomy, egalitarianism, solidarity, and so on—can be found in diverse social justice organizations and movements. In this chapter we make use of a non-Marxist theory of value and capital in a way that informs and supports the ad hoc perspective on struggle and fighting to win. However, our primary purpose is to propose a method based on this theory as a means for social justice activists to assess their particular campaigns. Such assessment is, we believe, important if people in particular campaigns are to understand their own efficacy and if they are to be part of a larger movement in pursuit of a humane post-capitalist world.

Further, we argue, such an analysis is a needed component of an anarchist economics. Although economics, as a science, is typically centered on production, distribution, and exchange, anarchists have long rejected the disciplinary reduction that tries to separate economics from politics. Production, culture, distribution, sexuality, communication, exchange, gender, and race—as just a few social institutions—are irreducibly intermixed. Our analysis attempts to deal with this reality. In this way, we seek to theoretically catch up to practices on the ground, where anarchists are attempting to change our social worlds and take control of our lives through a praxis that does not isolate economics. Anarchists engage with production, distribution, and exchange as inalienable facets of life, and therefore subject to demands of equal access for all, with neither privilege nor exclusion.

Political-economic disruption campaigns (PEDCs) are among the most commonly adopted strategies that organizers within social justice movements use to confront dominant institutions, particularly corporations. These campaigns are incredibly diverse. Some have explicitly radical goals. Others have concrete and immediate aims. Some align themselves with broader justice movements, while others are narrowly focused on local issues. Some make use of old and familiar tactics. Others are tactically unpredictable and creative. Some espouse an absolute commitment to nonviolence. Others engage in property destruction, kidnapping, and assassination.

Whether employing boycotts or marches, coordinated public actions or autonomous clandestine disruptions, public outreach or direct

action, these struggles have shaped the politics, imagination, and participants of the global justice movement. Whether these campaigns aim to reform or negotiate certain corporate activities, evict them from particular spaces, or aim to explicitly shut down their operations, they all target the political-economic body of corporate power: capital.

However questions emerge: Have these campaigns had an impact? If so, what kind of impact? How can the success or failure of particular campaigns and tactics be assessed? Can these disparate campaigns be drawn together to inform and inspire anti-capitalist struggles?

A challenge posed to any movement that confronts dominant political economic entities is the difficulty of evaluating the actual effects of a campaign. We argue that organizers can rely upon a readily available tool for “empiricizing” political-economic disruption campaigns: the capitalists’ own quantitative references. Employing the concept of “differential accumulation” developed by political economists Jonathan Nitzan and Shimshon Bichler, we examine the financial fortunes of corporations targeted by these diverse campaigns.<sup>2</sup> As we detail later in this chapter, differential accumulation is a framework for evaluating the financial position of a corporation—or corporate coalition, against various benchmarks. Although there are many tools for evaluating financial positions, we argue that this model is useful because it allows us to evaluate campaigns from the vantage point of capitalists. In this sense, it provides us with an idea of what these corporations feel and fear. To demonstrate this method, we will use differential accumulation to “empiricize” three different campaigns: the anti-sweatshop movement, the Take Down SNC-Lavalin! campaign, and the Stop Huntingdon Animal Cruelty (SHAC) campaign. We will consider the diverse organizing strategies employed by these groups/movements within the differential accumulatory contexts of their targets. We suggest that among the advantages of this perspective for PEDCs are that it: a) provides a means of before-the-fact assessing actions and tactics employed by similar campaigns; b) allows for an after-the-fact assessment of chosen actions and tactics; c) makes organizers cognizant of the actual processes underlying capitalist accumulation, improving their ability to disrupt “business as usual.”

These cases, like any other parts of the global justice movement, are complex and we are not interested in casting judgment on “successes” or “failures” in general. The model and opinions that we present are

not definitive and are, by design, offered to illustrate only the economic damages from the perspective of the targeted capitalists. We readily acknowledge that there are many perspectives from which to view victories or defeats. What our analysis offers is a preliminary quantitative perspective on diverse tactics of strategically organized campaigns as a means of judging their impact on the targets. This allows us to assess the contexts in which different strategies and actions have challenged the ability of corporations to accumulate. The campaigns discussed below also display ways that organizers can create spaces and possibilities for themselves and broader global justice movements.

### **“Differential Accumulation” as an Analytical Tool**

The concept of differential accumulation has been developed by Jonathan Nitzan and Shimshon Bichler over the last decade and was applied most fully in their book *The Global Political Economy of Israel*. In developing what they call the “power theory of capital,” Nitzan and Bichler argue that capital is a strategic power institution.<sup>3</sup> Their theory stands in contrast with both the neoclassicist “utility theory of value” and Marxist “labor theory of value.” Profit and its transformation into capital cannot be understood on the basis of either neoclassical “factors of production” or Marxist accounts of surplus value. Both theories employ reductionism based on “impossible entities”—“utils” and socially necessary, simple, abstract labor, respectively. Contrary to the bottom-up conceptions of capital and accumulation, Nitzan and Bichler hold that capital is “finance, and *only finance*.”<sup>4</sup> Understood as an institution of power, capital represents the complex assemblages of assets under the control of particular capitalist entities, including the means of production. Capitalists are able to manipulate these assemblages in order to increase, or—more importantly, as Nitzan and Bichler argue—to sabotage production in an effort to accumulate. This process includes much more than ongoing immiseration of the worker, or the development of new, more efficient methods of production. Specific activities such as lobbying or marketing, but also broader social realities such as racism or nationalism, can become part of capital as they play a role in processes of accumulation.

According to Nitzan and Bichler, “the accumulation of capital represents neither material wealth, nor a productive amalgamate of ‘dead labor’, but rather the *commodification of power*.” In this sense,

“capitalised profit represents a claim not for a share of the output, but for a *share of control over the social process*.”<sup>5</sup> Capital is the translation of control over the diverse social processes—including labor and production—into a divisible, vendible quantitative representation while accumulation is the augmentation of that control. Given that power can only be understood as a relation between two entities, capitalists judge their accumulatory success in relative terms. In other words, they think differentially. The model of differential accumulation was developed to compare how capitalist actors fare in relation to each other.

In contrast to absolute accumulation, which has no meaning once we reject the transcendent entities of neoclassical or Marxist value theory, the guiding logic of capital is to “beat the average [and] their (capitalists’) yardstick is the ‘normal rate of return’, their goal—to exceed it.”<sup>6</sup> Differential accumulation can be calculated by the rate of growth of capitalization of one capitalist entity (or capitalist coalition) less the rate of growth of the average capitalization. In other words, it is a calculation of how corporations have compared against an average (whether it is their industry, or the particular market, or the market as a whole). For example, if a firm accumulates at a rate of 10 percent during a boom when their competition averaged 15 percent growth, that firm’s differential accumulation—despite its growth—has been negative. In other words, they have experienced relative *deaccumulation* and their share of total social profits has decreased. On the other hand, if that same firm shrinks by 5 percent during a recession while their peers have lost 10 percent, the differential accumulation—despite an absolute loss—is positive. They have increased their share of capitalization and, despite the appearance of losses, have grown in relation to their peers-competitors. To increase your relative financial magnitudes is “to increase your relative power to shape the process of social change.”<sup>7</sup> This means that both growth and loss can serve the interests of particular firms and moments of crisis or depression are not inherently contrary to the interests of capital. Nitzan and Bichler stress that capital income does not depend on the growth of industry, but “on the strategic *control* of industry.”<sup>8</sup>

The business press is suffused with language of “beating the average.” Beating the average means growing more powerful. It is to this end that capitalists function, undertaking exercises of massive social upheaval, in an effort to outperform their rivals. This means the

primary struggle of capitalism is the intra-capitalist struggle. As Nitzan and Bichler note, “The very essence of differential accumulation is an intra-capitalist struggle simultaneously to restructure the pattern of social reproduction as well as the grid of power.”<sup>9</sup> Every other facet of society becomes collateral damage, rewarded or punished as part of diverse accumulatory endeavors.

As an example of how differential accumulation works as an analytical tool, we offer a demonstration concerning the pharmaceutical industry. Figure 1 displays two series, one absolute—the average capitalization of US pharmaceutical firms that are among the largest 500 firms, the other differential—the ratio of pharma’s average capitalization to that of the 500 largest firms.<sup>10</sup> The chosen basis of comparison is based on another concept of Nitzan and Bichler’s—dominant capital. Their perspective means capital should not be treated as a singular entity with universally shared interests. Rather, each corporation or corporate coalition will have particular interests depending upon what sorts of assets they control and what means are available in their efforts to augment their control. Within capital, they identify dominant capital as “the largest and most profitable corporate coalitions at the core of the social process.”<sup>11</sup> Our aggregate of the 500 largest US firms, as measured by market capitalization, is a proxy for dominant capital.

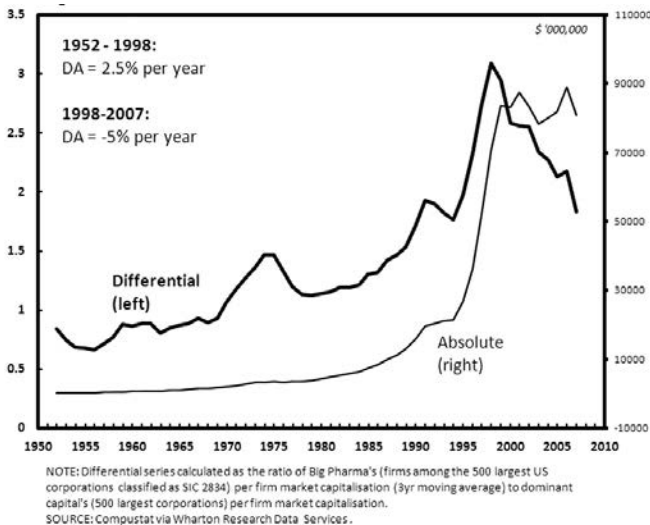


Figure 1. Big Pharma Accumulation: Differential or Absolute?

The absolute series, measured in millions of dollars, on the right hand axis, shows incredible growth from 1952 until 1999. From 1999 on, it appears to stagnate at its high level of capitalization. The differential series gives a different picture of what happened to Big Pharma after 1998. Instead of simply stagnating, we can see that pharma lost ground to other dominant firms in the accumulatory struggle. In 1952, the average member of Big Pharma was smaller than the average member of dominant capital (the ratio is less than one), while by 1998, the average pharma firm is three times larger. Their rate of differential accumulation was 2.5 percent per year, a stunning performance against the largest, most powerful firms. By 2007, however, they had fallen to less than twice as large, differentially decumulating 5 percent per year. The differential perspective motivates different questions than the absolute. In fact, once we dismiss as ridiculous and/or unworkable the transcendent entities of absolute accumulation, the absolute can provoke no questions. In order to answer the questions that emerge from the differential picture, we need to look at the entire field of social processes that bear on accumulation, and not solely to labor and production. The pharmaceutical industry is heavily dependent upon intellectual property rights and marketing. It works to forge personal relationships with physicians. Much of the research that goes into its most profitable drugs emerges from government or university labs. A lot of money is spent developing “copycat drugs.” All of this and much more needs to be considered in trying to explain how Big Pharma grew, and why it has fallen. For those involved in PEDCs, this dependence of capital upon complex social processes means disruption of production is not strictly necessary to disrupt accumulation. Rather, targeting any of the processes upon which the firm depends may have an impact. This confirms the street-level adoption of strategies and tactics that have always been anarchists’ *modus operandi*, over the attempt by Marxists to adhere to strategies informed by their pet theory.

Given the importance of capital accumulation for the capitalists’ understanding of their own success, it provides us with a means of judging the success of PEDCs that target individual corporations. Although the differential perspective is not the only means to judge success, it does allow an assessment from the capitalists’ own perspective: did the PEDC hurt its targets? If a campaign’s actions are associated with particular moments of differential decumulation, or,

more importantly, an entire campaign is associated with a trend of differential decumulation, then it seems, all else equal, fair to judge the campaign a success, even if specific goals and outcomes have not been achieved. Of course, caution is always required when trying to tie accumulatory movements to a specific cause, given the complex multitude of forces acting upon and being enacted by any given corporation. Nonetheless, if due caution is taken, campaigns should not hesitate to declare victory when such decumulatory trends are associated with the campaign. In the context of the global justice movement, where confrontational action is a permanent practice of addressing diverse injustices, we can use this model as a method to evaluate campaigns that challenge capitalists, large and small.

Using case studies of three disparate campaigns, all of which included participants who expressly identified as anarchists, we hope to draw some examples and lessons about what actions have worked against what sorts of corporations. Specifically, we will first consider the anti-sweatshop movement's targeting of Nike. A widespread campaign that included a range of political perspectives, from liberal to anti-capitalist, the campaign was one of the precursors to the Northern anti-globalization movement. Secondly, we will examine the 'Take Down SNC-Lavalin!' campaign. Undoubtedly unfamiliar to most, it was a small, short-lived campaign that took place in eastern Canada and Quebec. Despite its local character, it nonetheless managed to exact a toll on its target, a leading global engineering corporation. Finally, we will analyze the SHAC campaign that has recently been the subject of an intense governmental crackdown on so-called "eco-terrorism," precisely because of the huge impact it was having on its target. The conclusions we draw are tentative but we hope they encourage discussion about possibilities and strategies/tactics for fighting (and beating) capitalists. We especially hope to show that if campaigns are knowledgeable about their targets and willing to be flexible in terms of tactics, they can exact a sizable toll on the financial fortunes of targeted corporations. This is true both for well-organized, broad-scale campaigns as well as those that consist of just small groups of disciplined and dedicated organizers.

### **Case Study 1: Anti-Sweatshop Targeting of Nike**

In the mid-1990s, Nike became the paragon of corporate exploitation. The sweatshop emerged as the symbol of global corporations'



valuation of profits over workers, the environment, and human dignity. Although, the charge had been leveled against the company since the late 1980s, it was only in 1996 that it began to stick. The close association between the shoe designer-marketer—it can hardly be called a shoemaker—and sweatshops emerged from a more general campaign against the use of child labor by American corporations that began to build momentum during the early 1990s. In 1996, the Apparel Industry Partnership, a presidential taskforce with both industry and non-industry participants, convened to draft an agreement on job conditions. In April 1997, the group reached an agreement that, among other things, set minimum age and maximum hour requirements. However, it was too late for Nike, as the “swoosh” emerged from tight competition with Kathy Lee Gifford as the face of sweatshops.

Nike had been a corporate wonderkind. Just one of many shoe companies of the 1980s, its innovative branding allowed it to rise above the pack. It hitched its wagon to Michael Jordan, whom it then marketed as no other athlete had ever been before. Air Jordans became a must-have item, particularly for inner-city youth. In the process, following the logic of accumulation, it sought to boost earnings by pushing down costs. To this end, it began to ship jobs to low-wage zones in Asia. It was hardly unique in this. However, its own success would bring blowback as its high profile led anti-sweatshop activists to focus their attention on the sportswear company that claimed to be about more than shoes.

The campaign against Nike was almost entirely focused on public education, although participants also sought to shame both CEO Phil Knight and Jordan personally. Actions were usually little more than public spectacles, picketing and flyering. At the time of publishing *No Logo*, Naomi Klein could find only one incidence of vandalism against a Nike Town outlet.<sup>12</sup> Yet, as can be seen in Figure 2, between 1996 and 1997 the actions taken against Nike had a huge impact on its accumulation. The company differentially accumulated 13.5 percent per year from 1981 to 1996, then from 1996 to 1999 it differentially decumulated at a stunning 28 percent per year. Similar to the graph for Big Pharma, this graph charts Nike against dominant capital. In 1986, Nike was barely 10 percent the size of an average member of this group. By 1996, it was 21 percent larger than the average member. Then, in 1999, it's just half the size. Since 1999, despite the continued pressure on the company, accumulation has resumed. Nike may have,

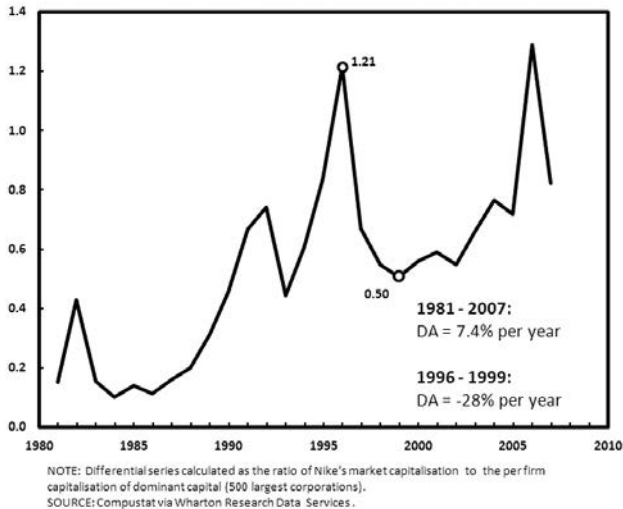


Figure 2. Anti-sweatshop Campaign: Taking a Toll on Nike

paradoxically, benefited from the growth of the “anti-globalization” movement as it moved from a criticism of specific companies to corporations and capitalism more generally. Nike became just another corporate miscreant among many.

Nike was susceptible to the tactics adopted by the anti-sweatshop movement because of its dependence on public image. It was a pioneer of advertising that did not directly pitch its product. Instead, it touted a “lifestyle” and then associated itself with that lifestyle. It championed women’s right to participate equally in sports. It had ads with Tiger Woods observing that there are still some courses from which he is banned because of the color of his skin. Its philanthropic endeavors provided sports equipment to impoverished children. This carefully constructed image was so thoroughly at odds with the realities of sweatshops that simply exposing their involvement tarnished it. As one of the world’s best-known brands, they were also susceptible to “culture jamming”: defacing billboards, using corporate logos and slogans in sarcastic and subversive counterattacks. Once Nike’s use of overseas sweatshops became general knowledge, any defaced billboard or advertisement served as an instant reminder. Although Nike had positioned itself head and shoulders above its competition in terms of the social appeal of its shoes, it nonetheless faced intense competition.

It was not difficult for consumers to switch to another brand. Culture jamming has been rightly criticized as a limited and non-revolutionary tactic. However, as we noted above, there is no pure or revolutionary tactic. Although tactics must accord with the principles of the organizers, their only other criterion is effectiveness and for this campaign, it appears to have been effective. Of course culture jamming will not, in and of itself, foment revolution, but neither will any other tactic. The effectiveness of culture jamming is limited to corporations dependent upon their image. The campaign against Nike was so effective that it even warranted a mention in its annual report to investors. Forced to explain Nike's poor performance in 1997, Knight cited "labor practices" and the "alarmed" consumer. Although Knight promised that both media and consumers were being "informed," we can see that the message took a few years to get through. In fact, although Nike began to recover in 1999, it wasn't until 2001—the year resistant movements refocused on antiwar efforts and away from corporate misdeeds—that it resumed its early growth levels.

Although Nike managed to escape the accumulatory purgatory into which it was relegated, the anti-sweatshop campaign managed to inflict significant damage. Klein demonstrates how common the differential perspective is, although lacking any theoretical component, when she compares Nike's performance to that of Adidas.<sup>13</sup> During the campaign against Nike, Adidas managed to overtake them and has remained larger, if only just, ever since. This highlights one of the consequences of PEDCs: they may benefit others. Adidas is just as implicated in the use of sweatshop labor as Nike, yet it avoided the same sort of scrutiny and has been the differential benefactor of Nike's decline. However, as long as capitalism remains, there will necessarily be those who benefit from one corporation's differential decline. As with the particular tactics of political economic disruption, PEDCs themselves are not inherently anti-capitalist. Rather, their purpose is to insert us into the accumulatory process, to become risk factors that must be accounted for.

## **Case Study 2: Take Down SNC-Lavalin!**

Organized under the explicitly anti-capitalist hallmarks of the People's Global Action, the Take Down SNC-Lavalin! campaign was

a collaboration between Ottawa's Catapult! Collective, June 30th in Toronto, and Block the Empire in Montreal. The target, SNC-Lavalin, was a provider—through subsidiary SNC TEC—of ammunition to the US occupation in Iraq. The campaign featured various tactics, including public education, confrontational marches, covert information gathering from SNC workers, public spectacles and symbolic actions, and calls for autonomous direct actions.

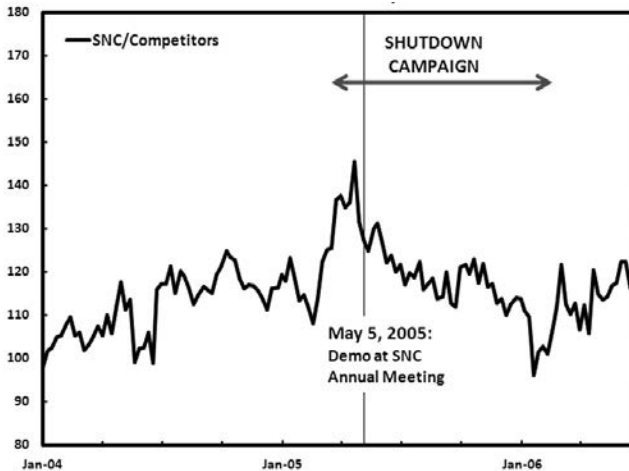
In Ottawa, several marches targeted the SNC office building as part of a campaign that highlighted war profiteering in general. The high-profile "snake marches" took place in the downtown core, and disrupted traffic and business around the buildings housing US defense corporations, including Raytheon and General Dynamics. On the international day of solidarity with Iraq in 2005, Catapult! members scaled the façade of SNC's Ottawa office building to call attention to all manner of exploitive practices, including the production of munitions, the degradation of the environment, and their destructive mining and biotech projects around the world. In Montreal, members of Block the Empire tried to install a photo exhibit featuring images of occupied Iraq entitled "Your Bullets, Iraqi Lives," in the lobby of SNC's corporate headquarters, a building that the company shares



Figure 3. Take Down SNC-Lavalin!: Relative to the S&P 500

with the US consulate. In Toronto, organizers crashed a banquet hosted by SNC-Lavalin. A diverse collection of activist organizations participated in a protest outside SNC's 2005 Annual General Meeting, which drew national media attention. As news stories noted, the protest overshadowed the company's otherwise "promising outlook."

We have charted the differential status of SNC relative to the S&P 500<sup>14</sup>—as a proxy for dominant capital—from 2002 until 2006. The campaign lasted from early 2005 until early 2006. Our data indicates that SNC experienced a significant change in its accumulatory trend over this period. As can be seen in Figure 3, SNC enjoyed significant accumulation in the period before the campaign began. In the year prior to the first week of April 2005, SNC gained 53.5 percent relative to the S&P 500. Over the course of the campaign their accumulation stagnated. Eventually the campaign lost its momentum and stopped mobilizing when it realized one of its goals: SNC's divestment from its arms-producing entity SNC TEC. At that point SNC resumed its upward accumulatory trend. As noted above, there is no absolute "average" against which capitalists judge their success, this too is contingent. As such, we also charted SNC's performance against an index composed of two of its sectoral competitors—fellow Canadian engineering firm Aecon and a US firm of roughly the same size, Jacobs Engineering.



NOTE: Differential accumulation calculated as an indexed ratio of SNC's adjusted weekly share price to a weighted composite of two sectoral competitors (Aecon and Jacobs Engineering Group) (Week of July 8, 2002=100). The composite of the two firms was weighted for their market capitalizations.  
SOURCE: Yahoo! Finance

Figure 4. Take Down SNC-Lavaline!: Relative to Competitors

This shows even more clearly SNC's differential fate over the duration of the campaign. From its apex, the week of April 25, 2005, to its nadir, the week of January 23, 2006, SNC-Lavalin differentially *de-accumulated* 34 percent. In the context of SNC's global reach, its engagement in several sectors, and its political connections, this frozen (or declining) period is of significant interest. Why did SNC-Lavalin's trend of accumulation stall? Were investors frightened by public associations with war profiteering? Did they prefer the relative anonymity of other potential investment opportunities? Did they fear the confrontational style of the Take Down SNC organizers? Did they worry that more disruptive direct actions were to come? These are all possibilities that require further consideration.

Both graphs demonstrate that accumulation continued beyond the start of the campaign, and resumed before what we've identified as the end—the aforementioned sale of SNC TEC. The continuation of accumulation beyond the start of the campaign is not surprising. A single march criticizing SNC-Lavalin was unlikely to be considered a threat to accumulation. However, the beginning of the campaign was particularly intense. With actions in the three aforementioned cities the campaign appeared to be widespread. Activists in Halifax and Vancouver also incorporated criticism of SNC into their antiwar efforts. The resumption of accumulation before what we've identified as the end of the campaign is also unsurprising. For various reasons, the campaign lost steam and began to peter out. The resumption of accumulation shows that market participants felt the PEDC against SNC was no longer a threat. Perhaps this occurred because a forthcoming sale of SNC TEC was suspected which would defuse criticism of SNC-Lavalin as a "war profiteer." The market let the campaign know it was over. Nonetheless, we conclude that the campaign had an impact and managed to hit SNC-Lavalin where it hurt and should be considered a factor in the company's decision to sell its munitions production.

Two features of SNC-Lavalin allowed the chosen tactics of the Take Down campaign to be successful. First, SNC TEC was a relatively minor production segment as a percentage of SNC's earnings. SNC's primary business is engineering-related. Although its engineering and other activities also provide grounds for criticism, they are not directly implicated in war. Second, although SNC-Lavalin is one of Canada's largest corporations, with operations and political connections all over

the world, the corporation is little known. This made them susceptible to a public education campaign that brought both the public and media spotlight to bear upon them, particularly when it focused on the company as a “war profiteer.” The relative unimportance of SNC TEC for earnings made it more likely SNC-Lavalin would judge the gains of diverting the public glare to outweigh any decline due to the loss of SNC TEC’s profits.

SNC TEC was sold to General Dynamics, whose business is almost entirely military-related. Notably, we do not believe a similar naming and shaming campaign aimed at them is likely to succeed in the same way. While SNC-Lavalin and its investors were not prepared to be decried as “war profiteers,” General Dynamics undoubtedly is. Any investors with moral or practical objections to “war profiteering” have already placed their capital elsewhere. This does not mean a campaign against General Dynamics is impossible, just that it could not rely on the same tactics. The fact that SNC TEC was sold to General Dynamics and continues to produce bullets sold to the US military means that the success of the Take Down! PEDC was certainly limited. Nonetheless, it is significant that a short campaign organized by a couple dozen people spread throughout three cities managed to have this impact on a multi-billion-dollar corporation. Take Down SNC-Lavalin! succeeded in injecting itself into the accumulatory efforts of SNC-Lavalin and its success required their capitulation, however limited.

### **Case Study 3: Stop Huntingdon Animal Cruelty (SHAC)**

The SHAC campaign officially began in 1999 and has developed into an international campaign, comprised of several dozen active groups. Although many organizers are associated with other elements of the animal rights and animal liberation movements, the SHAC campaign is organized with the exclusive objective of shutting down the vivisection firm Huntingdon Life Sciences (HLS).

Since the beginnings of the SHAC campaign, organizers have scored numerous victories against HLS. Through their relentless antagonism they provoked several banks and financiers to pull loans and scared hundreds of business partners into terminating contracts and severing business relations. In the words of HLS Chairman Andrew Baker they engendered a widespread view of HLS as “a pariah” of the business world. Strategically, SHAC has identified secondary and

tertiary targets and taken direct action against them as well. Secondary targets include the banks that have given financial support to HLS, while tertiary targets include the customers of secondary targets. The intention has been to provoke a decumulatory fear in the financiers so they would sever ties with HLS, rather than risk losing other customers. SHAC stresses that their efforts focus on publishing material about animal abuse and issuing action alerts through their websites and mail lists. Their websites and publications publicize this material and participating groups, to varying degrees, encourage individuals to undertake a broad array of tactics to confront these targets. These have included business disruptions, encouragement of autonomous actions, large and small rally demonstrations, property destruction, letter-writing campaigns, ethical investment strategies, boycott organizing, and so on.

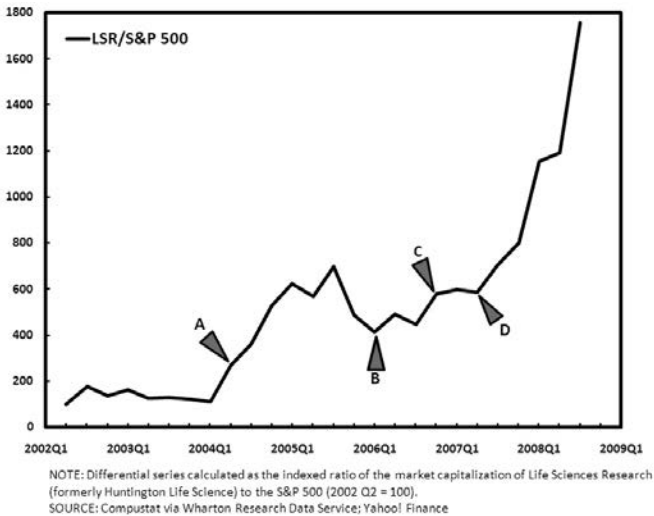


Figure 5 SHAC Crackdown: 'Eco-terrorism' and Accumulation

The most well-known tactic associated with SHAC is the "home demonstration." These involve activists confronting vivisectionists, financiers, and corporate executives at their residences. These non-violent but highly confrontational tactics are meant to bring attention and shame upon their targets (and their families) in an attempt to undo the privacy and secrecy that are important components of the political economy of the vivisection industry. The wide range of direct action



targets was a central motive underlying the corporate-state suppression campaign against SHAC. In fact, our research indicates that it was precisely the success of their tactic that provoked the government's heavy-handed suppression.

The public visibility of organizers involved in SHAC made them a scapegoat upon which the government could hang every direct action committed by environmental and animal liberation groups and autonomous cells. Politicians, media, and prosecutors in the United States and United Kingdom have frequently made the association between groups affiliated under SHAC and actions undertaken (and claimed) by autonomous individuals and groups, such as the Animal Liberation Front (ALF). The government has claimed that because SHAC affiliated groups provide information about animal abusers, they are facilitating or even interchangeable with the ALF.

Citing "eco-terrorism," the corporate-state suppression campaign against SHAC developed over several years. Our graph depicting the differential accumulation of HLS has marked four notable moments in the state-corporate suppression campaign targeting SHAC. These dates are: "A"—the indictment of the US SHAC 7; "B"—the conviction of the US SHAC 7; "C"—the signing of the enhanced US Animal Enterprise Terrorism Act (AETA), an amplified version of the Animal Enterprise Protection Act under which the SHAC 7 were charged; and "D"—Operation Achilles that targeted organizers of SHAC and the general animal liberation movement in the United Kingdom and other Western European countries.

Our graph begins in 2002 after HLS moved their headquarters to the United States under the shell company Life Science Research. After SHAC UK successfully prevented HLS from accessing capital markets in the United Kingdom, by targeting both the banks that provided loans and the "market makers" needed to participate in equity markets, the corporation moved to the United States in an attempt to access new pools of investors and capital. HLS also hoped to benefit from stronger privacy protections accorded to US investors compared to their UK counterparts to prevent SHAC from targeting their capital sources.

As seen in Figure 5, from 2002 to 2003, HLS accumulation was stagnant. This suggests that following the HLS move to the United States, the SHAC campaign was successful in halting the corporation's differential growth. However, in late 2003, coincident

with the US government's increasing criminalization of the activities of SHAC USA organizers, HLS began to accumulate. With the indictment of the SHAC 7, HLS experienced a sharp rise in differential accumulation. This accumulatory trend became more turbulent in early 2005, perhaps over uncertainty concerning the verdict in the SHAC 7 trial, although SHAC UK was also still active. A renewal of accumulatory growth was associated with the SHAC 7's conviction. After the conviction, HLS's accumulation was upward, but still turbulent. Undoubtedly this was because SHAC's international presence meant the US government's legal maneuvers had not completely neutralized SHAC. The passage of the AETA marks an intensification of the upward trend, indicating an expectation that this was another nail in the coffin of SHAC. With the initiation of Operation Achilles, the United Kingdom aligned its criminalization of environmental and animal liberation with the United States. This released HLS from most of the perceived risk of SHAC's direct action and the corporation's differential accumulation skyrocketed.

Aside from the debate about whether or not these criminal proceedings had a neutralizing effect on the campaign, our data suggests that the corporate-state campaign against SHAC and the imprisonment of activists was perceived as a victory for HLS by market participants. The accumulatory trend illustrates the logic behind the corporate-state counter-campaign targeting SHAC. In contrast to the early period of the graph—where SHAC was inflicting significant disruption against HLS and its allies, preventing any differential accumulation—the final portion of the graph indicates that the surge in capital accumulation coincided with the corporate-state suppression campaign of so-called “eco-terrorists.” Freed from the threat of disruption, HLS achieved significant differential success following the state's efforts to neutralize and demobilize the SHAC campaign. This evidences the earlier success of the SHAC campaign to seriously impact the accumulatory efforts of its target. Further, it indicates how far capital can and will go to remove a threat that is truly hitting it where it hurts.

The success of SHAC's PEDC seriously threatened the future of HLS. The UK government had to intervene with loans and special dispensations when banks and other business service firms refused to do business with the vivisection firm. This special consideration was vital for HLS's continued viability and should be considered as an important

and valued part of HLS's capital. These interventions are evidence of SHAC's determination, combativeness, and innovative tactics.

SHAC has provided organizers with important lessons on how PEDCs provoke the anxieties of capital. Investors have a twofold fear: 1) fear of being personally targeted; 2) fear that the fear of others will drive down the value of the stock. With their success in isolating HLS within the business "community," SHAC demonstrated how activists can leverage the naked commitment of capital to accumulation. Although the banks' managers who swore not to do business with HLS almost certainly personally despised being forced to capitulate, that was of no consequence; one segment of capital will not make a principled stance in defense of other segments. Short of a threat to capitalism itself, the accumulatory process means capitalists are more than willing to sacrifice their compatriots if doing otherwise risks their own accumulation.

## Conclusions

Aside from damaging that which capitalists covet most—profits!—PEDCs are also integral to movement building. Whether we succeed in closing sweatshops, put a stop to the manufacturing of weapons, or halt the destruction of nonhuman life, we are actively challenging those accumulating rewards at the expense of others' suffering. While confronting our enemies, anarchist organizers must also consider the forms, structures, and practices that we undertake to prefigure a radically different society. Neither concrete PEDC goals nor prefigurative practices can take precedence, and fighting to win is about both.

Marxists and the traditional left have for too long fixated on sectarian identities and dogmatic programs at the expense of challenging dominant forces that, especially for those of us from privileged backgrounds, live next door. We must acknowledge that resistance to corporate globalization takes infinite forms and struggles, and not all anti-corporate campaigns are anti-capitalist. One of the leading organizations in the movement against Nike, and sweatshops in general, was United Students Against Sweatshops (USAS). Not only were they not anti-capitalist—although active members certainly were—they intentionally mimicked the hierarchical structure of the corporations they targeted. This resulted in a leadership structure that privileged the type of male-dominated, competitive, and non-participatory

environments that anarchists are committed to eliminating. Similarly, animal rights activism, including SHAC, has been criticized for not making connections with other forms of violence and oppression. Despite such legitimate critiques, are committed anarchist organizers to forsake these (and similar) movements?

We think not. Capitalism has evidenced a remarkable resilience. The differential process results in plasticity that demands anti-capitalists work with (or at least support) allies who may not share our organizing principles or prefigurative ideals. This does not require compromising our principles. It is possible to balance vigilance towards centralizing tendencies that reproduce hierarchical and non-participatory power structures, avoid the exclusionary and reactionary divisiveness that limits movement building, and work short-term with allies who share the limited goals of a PEDC. Anarchists, not hampered by excessive theoretical prescription, can work toward short-term outcomes that will have real and desirable consequences, even if just to set capital back on its heels for a moment. Fighting to win is a twofold process of both damaging the existing power structure and prefiguring a humane post-capitalist society.

Participants in PEDCs need to recognize the limitations of such endeavors in terms of challenging capitalism itself. Given the differential nature of accumulation, there will always be capitalist beneficiaries of PEDCs. Capital always flees to another, who welcomes its arrival. We believe Nitzan and Bichler's theory of differential accumulation offers the best means of understanding precisely how anti-capitalists can effect change within capitalism through the confrontation of capital. The theory draws attention to the qualitatively complex structures and processes that constitute accumulation. It also makes us aware of how far our interjections into the accumulatory process can go. Any victory that fails to topple the ethical justification and juridical apparatus of private property that make possible capital and accumulation will always be a partial victory. That means no particular campaign need be criticized as such, for we are always aware that it is.

If we understand capital as the quantification of claims over qualitatively complex social processes, we cannot treat all corporations as the same. The high diversity of social assets that are drawn upon to make profits means each corporation will have different vulnerabilities. The same tactics cannot be reflexively used against different targets.

Diversity of tactics becomes not an ethical position, but a tactical necessity. While public awareness may be sufficient against some targets, others may require direct action.

Part of any transition will be a transformation of the political economic hierarchy. The vested interests will not simply disappear under the weight of their own contradictions. We can mess with them all we want, but if we cannot affect their ability to accumulate and augment control over social processes, then we have no hope of moving beyond the capitalist status quo.

#### ENDNOTES

- 1 Karl Marx, *The Eighteenth Brumaire of Louis Bonaparte*, 1852, [www.marxists.org/archive/marx/works/1852/18th-brumaire/ch01.htm](http://www.marxists.org/archive/marx/works/1852/18th-brumaire/ch01.htm) (accessed June 3, 2009).
- 2 See Jonathan Nitzan and Shimshon Bichler, *The Global Political Economy of Israel* (London: Pluto Press, 2002). With the exception of their newest book, *Capital As Power* (2009), Nitzan and Bichler make their work freely available at [bnarchives.net](http://bnarchives.net).
- 3 Nitzan and Bichler, *The Global Political Economy of Israel*, 31.
- 4 Ibid., 36. Emphasis included. We do not want this to be conceptually blurred with Marx's notion that finance represents the "highest form of capital." Our contention is that finance is the only form of empirically identifiable capital, not merely a subset. For Marx, finance capital was mixed among other functions of capitalism but was ultimately a fiction against the reality of material production, which is anchored in the labor process. The Marxist labor theory of value states that production is where labor is exploited and surplus value expropriated, and where capital accumulation takes place. This allowed Marx to distinguish different segments of capital based on the M-C-P-C'-M' breakdown of the capital flow. Only P is productive. C, representing merchant capital, and M, representing finance capital were considered parasitic. However, these distinctions cannot be made empirically—how do we distinguish which of Caterpillar's profits are due to the parasitic Cat Finance and which are due to its production units, which produce for customers who depend upon loans from Cat Finance? This breakdown of capital is a theoretical tale that cannot help us in trying to understand contemporary capitalism.
- 5 Ibid. Emphasis included.
- 6 Ibid., 37.
- 7 Ibid., 38.
- 8 Ibid., 45. Emphasis included.
- 9 Ibid., 41.

- 10 Both series have been smoothed as three-year moving averages to facilitate their demonstrative use.
- 11 Ibid., 40.
- 12 Naomi Klein, *No Logo: Taking Aim at the Brand Bullies* (Toronto: Knopf Canada, 2000), 367.
- 13 Ibid., 378.
- 14 Unlike the Big Pharma and Nike graphs, ratios using the S&P 500 are indexed. Therefore, the individual numbers have no meaning. They are only meaningful in longitudinal comparison, like with the consumer price index.